MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2015/2016

DAC5028 – COMPUTERISED ACCOUNTING INFORMATION SYSTEM

(For Diploma Students Only)

9 MARCH 2016
2.30 p.m – 4.30 p.m
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of **NINE (9)** pages only excluding the cover page.
2. Answer **ALL** questions in the OMR sheet and Answer Booklet provided.

SECTION A : MULTIPLE CHOICE QUESTIONS 1-20 (each question carries 1 mark) (20 marks). Answers for this section should be shaded in the OMR sheet.

1. The followings are the information input collected by an organisation ***except*** _____.

   A. events
   B. agents
   C. time
   D. resources

2. Identify which of the following activities falls under the second step in revenue cycle.

   I. Picking order by the warehouse department.
   II. Shipping department packs and ships the order.
   III. The cashier reports to the treasurer, handles customers remittances and deposit to the bank.
   IV. The accounts department prepares the invoice and updates the accounts receivable.

   A. I and II.
   B. I and IV.
   C. II and III.
   D. III and IV.

- Loss of assets
- Inaccurate inventory records

3. Which of the following threats may cause the above problems to incur?

   A. Theft of inventory.
   B. Stockouts, carrying costs and markdown.
   C. Failure to bill customers.
   D. Errors in maintaining customer accounts.

4. Which of the following external parties ***does not*** exactly match to its business cycle?

   A. Suppliers to Expenditure cycle.
   B. Debtors to Revenue cycle.
   C. Creditors to Financing cycle.
   D. Employees to Payroll cycle.

5. The key consideration in selection of supplier is as follows except _____.

   A. price
   B. location
   C. dependability
   D. quality

Continued.....

6. Textile Wholesales Berhad is a company providing fabric textile to garment factories in Ipoh, Perak. Due to increase amount of debts from its debtors, the credit manager of the Company decides to restrict credit sales during receiving sales order stage. Which of the following criteria is considered for this restriction?

   A. Customer's past due balances.
   B. Customer's credit limits approval based on past records.
   C. Customer's ability to pay their debts based on past records.
   D. Customer's record status in customer master file.

7. The primary objectives of sales order entry is/(are) _____.

   A. accurately and efficiently process customer orders
   B. ensure all sales are accepted and the company gets paid
   C. minimise ordering cost to minimise revenue loss
   D. all the above

- Used to control operational activities, decision making and design strategies.
- Produced on regular and periodic basis and sometimes on demand

8. Which of the following information output is fits the descriptions in the box above?

   A. Document.
   B. Queries.
   C. Reports.
   D. None of the above.

9. Andy is one of the branch managers of Delite Dine Restaurant Sdn. Bhd. in Kuala Lumpur selling mix fusion of east and west delicacies. His responsibility is to ensure the daily operations in the restaurant are conducted smoothly and in order. Which of the following decision normally made by Andy?

   A. Decision to change the menu in the restaurant.
   B. Decision to accept customer's reservations to dine in the restaurant.
   C. Decision to redeem to unsatisfied customer complains.
   D. Decision to open another branch at the end of the main street in Kuala Lumpur.

10. Which of the following is ***not*** benefit of information?

    A. Reduction of uncertainty.
    B. Improved decisions.
    C. Improve efficiency and effectiveness.
    D. Improved ability to plan and schedule activities.

11. System concepts encourage minimise duplication of recording, storing, reporting, and processing. This is known as _____.

    A. interaction
    B. integration
    C. interrelated
    D. interchange

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12. A purchase requisition is prepared by purchasing department to be distributed to the other departments in an organisation for ordering goods and services. Which of the followings is ***not*** true about the contents of purchase requisition?

A. Item numbers, descriptions, quantities, and prices of goods ordered.
B. Suggested list of suppliers by the person ordered.
C. Who is requesting, where to deliver and when the goods is needed.
D. Department number and account number to be charged.

13. The followings are IT that helps to improve efficiency and effectiveness of purchasing function especially in reducing cost and time are:

I. using EDI to transmit purchase order
II. using VMI
III. Award audit
IV. Reverse auctions.

A. I, II & III only.
B. I, II & IV only.
C. II, III & IV only.
D. I, II, III, IV.

14. When the receiving clerk rejects goods received, it normally occurs to the certain reasons such as _____.

A. quantity of goods is different from the amount ordered
B. goods are too expensive compare to the ones ordered
C. goods are of better quality than the ones ordered
D. all of the above

15. Which of the problems incurred is ***not*** derived from ordering unnecessary items?

A. Excess carrying costs.
B. Obsolete inventory.
C. Multiple purchases of the same item.
D. Increase storing cost.

16. The drawback of EOQ as the traditional approach in managing inventory is _____.

A. EOQ formula is used to calculate reorder point
B. inventories are order based on carrying cost estimates
C. not applicable to all general types of inventory
D. caused threat on over or excess inventory to incur

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17. Which of the followings are components of AIS?

I. People.
II. Data.
III. Procedures and instructions.
IV. Internal control and security measures.

A. I, II & III only.
B. I, III & IV only.
C. I, II & IV only.
D. All of the above.

18. Threats in planning and scheduling process can be mitigate through the following controls ***except*** _____.

A. larger purchases on fixed assets should be reviewed by a senior executive or executive committee
B. competitive bids should be sought via requests for proposals (RFPs)
C. regular collection of data on production performance to adjust production schedule
D. more accurate production planning based on current sales forecasts

19. Which of the following is ***not*** threat in payroll processing?

A. Unauthorized changes to the payroll master file.
B. Inaccurate time data.
C. Theft or fraudulent distribution of paycheques.
D. Violation of employment law in salary payment.

20. Which of the following threats ***does not*** comply with an organisation's objective for effectively hire, retain, and dismiss employees?

A. Unauthorized changes to the payroll master file.
B. Theft or fraudulent distribution of paychecks.
C. Violation of employment law.
D. Inaccurate time data.

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SECTION B : TRUE/FALSE QUESTIONS 21-40 (each question carries 1 mark) (20 marks). Answers for this section should be shaded in the OMR sheet. Mark "A" for the TRUE statement and "B" for the FALSE statement.

21. When information overload incurred, the quality of decisions declines and costs of producing information increases.

22. General journal is used to record cash and credit business transactions.

23. The two major responsibilities of the receiving department are deciding whether to accept delivery and verifying the quantity and quality of delivered goods.

24. Objective of accounts payable is to authorize payment only for goods and services that were ordered and actually received.

25. Cashier normally receives a voucher package, which consists of the vendor invoice and supporting document before issuing cheque payment to supplier.

26. When a person holds a middle management position in an organisation, the decision scope is more towards operational and management control.

27. Data such as purchase price, rework and scrap costs are important to track and evaluate supplier performance.

28. Dolly is a clerk in charge of recording the movement of inventory. She is allowed to access in the warehouse and give authority to move the inventory. This is an example of segregation of duty.

29. Information about production and inventory levels planning flows from production cycle to revenue cycle. For example: sales forecast.

30. The objective of the planning and scheduling activity are to develop a production plan that is efficient and to minimizing inventories.

31. Internal user focus primary on ensuring that information benefits exceed costs.

32. Data processing involves four different types of file processing known as updating, adding, deleting and saving data.

33. Work in process is debited and raw materials are credited for any amounts returned to inventory.

34. Payroll tax withholding and voluntary deductions are summed and subtracted from gross pay to obtain net pay.

35. Changes to the payroll master file should be reviewed and approved by someone other than the person recommending the change.

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36. It is essential for AIS to be able to accommodate the information needs of every personnel involved whether it is financial and nonfinancial data in an organisation.

37. The total sum of account receivable is equals to the balances of five separated T-accounts which are known as control accounts.

38. Samsung (M) Sdn. Bhd. provides warranty and repairing services to its product is an example of external failure cost.

39. Financing cycle involves with overall business operation in an organisation.

40. Electronic lockboxes is electronic notifications send by the customer's bank to company when cheque payment is made.

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SECTION C : FILL IN THE BLANKS 41-50 (each question carries 1 mark) (10 marks). Please answer all questions in the answer booklet provided.

FEDI	Pick and pack	Credit memo	Verifiability	Accuracy
Time clock	Information	RFID	Badge reader	Purchase order
Debit memo	Blanket order	Salesperson	Discrepancies	EFT

41. _____ is normally used to locate and track moving raw materials, parts and other inventories in a factory.

42. The sales order indicates item numbers ordered, quantities, price and _____.

43. Data are facts that are collected, recorded, stored and processed by _____ system.

44. If goods are damaged or inferior, a _____ is prepared after the supplier agrees to accept a return or grant a discount.

45. _____ can help to improve the efficiency and effectiveness in collecting time and attendance data in payroll process.

46. Bank confirmation letter was send by a Company to its bank is a way of _____ on the information on the bank account balance.

47. _____ arises when items were not stored in the location indicated and perpetual inventory records were inaccurate.

48. A picking ticket is printed by sales order entry and triggers the _____ process.

49. Customer are able to send remittance data and online fund transfer instructions through _____.

50. _____ is a document or electronic form that formally requests a supplier to sell and deliver specified products at specified prices.

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SECTION D : STRUCTURED QUESTIONS (50 marks).
Please answer all questions in the answer booklet provided.

QUESTION 1

a) List the SEVEN (7) basic activities in the payroll cycle. (7 marks)

b) Provide the types of information received from the following sources of input in the payroll system.
   i) HRM department
   ii) Employees
   iii) Insurances companies (3 marks)

QUESTION 2

a) "Salaries and wages paid to all factory workers are considered manufacturing overhead cost."

Required:

i) Give your opinion on whether do you agree to the above statement and provide reason for your answer. (2 marks)

ii) Other than the above, give ONE (1) example of manufacturing overhead cost. (1 mark)

b) Briefly explain Lean Manufacturing approach in production planning. (4 marks)

QUESTION 3

a) ICI Paint (M) Sdn. Bhd. is a company manufacturing paints in variety of colours. Every year the company manufactures large quantities of paints due to domestic and industries demands in the market.

Required:

i) What type of cost accounting system should this company apply and why? (2 marks)

ii) Elaborates on how this accounting system works in ICI Paint Sdn. Bhd.'s paint manufacturing process. (2 marks)

b) Provide FOUR (4) solutions to improve the efficiency and effectiveness on payment for goods and services. (4 marks)

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QUESTION 4

a) Paying the same invoice twice can cause profit reduction and creates insufficient cash flow problem. Provide FOUR (4) controls that can mitigate these problems. (4 marks)

b) "Kickbacks are gifts from suppliers to purchasing agents for the purpose of influencing their choice of suppliers."

Required:

i) What are the THREE (3) threats arise from the above issue? (3 marks)

ii) Provide any TWO (2) solutions to the above matters. (2 marks)

QUESTION 5

List and briefly explain the TWO (2) differences and TWO (2) similarities between Material Requirements Planning (MRP) and Just in Time (JIT) each. (10 marks)

QUESTION 6

Explain any THREE (3) alternatives on how IT can improve the efficiency and effectiveness in receiving goods. (6 marks)

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